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Established in 1965, Medicare represents a covenant between the U.S. government and its citizens, acting as an important lifeline for seniors in our country. Since 1965, it has evolved to help beneficiaries maintain health, prevent disease and injury, and to provide better benefits. The Medicare program ensures coverage along a continuum of healthcare settings such as hospital care, physician and outpatient hospital care, and other post-hospitalization benefits such as home health, skilled nursing facility and hospice care.

Medicare consists of four distinct parts:

- Part A (Hospital Insurance or HI) covers inpatient hospital services, skilled nursing care, and home health and hospice care. The HI trust fund is mainly funded by a dedicated payroll tax of 2.9% of earnings, shared equally between employers and workers.
- Part B (Supplementary Medical Insurance, or SMI) covers physician services, outpatient services, and home health and preventive services. The SMI trust fund is funded through beneficiary premiums (set at 25% of estimated program costs for the aged) and general revenues (the remaining amount, approximately 75%).
- Part C (Medicare Advantage, or MA) is a private plan option for beneficiaries that cover all Part A and B services, except hospice. Individuals choosing to enroll in Part C must also enroll in Part B. Part C is funded through the HI and SMI trust funds.
- Part D covers prescription drug benefits. Funding is included in the SMI trust fund and is financed through beneficiary premiums (about 25.5%) and general revenues (about 74.5%).

Prescription Drug Coverage:

Congress moved to add prescription drug coverage in legislation championed by the previous Administration, Republican Congress and the pharmaceutical industry, known as the Medicare Prescription Drug, Improvement, and Modernization Act of 2003. This bill established a new voluntary prescription drug benefit under a new Medicare Part D, effective January 1, 2006, providing prescription drug coverage through private prescription drug plans (PDPs) or Medicare Advantage prescription drug (MA-PD) plans.

The costs of prescription drugs are outrageously high. Many seniors have to choose between buying medicine and buying groceries. America's senior citizens deserve better. They deserve a real prescription drug benefit.

Update (Summer 2009)

Extra Help with Prescription Drugs:

Medicare beneficiaries are eligible for the extra help with prescription drugs costs if they have limited income and resources. The extra help can increase their cost savings by paying for part of the monthly premiums, annual deductibles and prescription co-payments under the new prescription drug program.

For more information, go to <http://www.ssa.gov/medicareoutreach2/index.htm> or to fill out an online application, go directly to <https://secure.ssa.gov/apps6z/i1020/main.html>

Social Security Recovery Payments:



The American Recovery and Reinvestment Act of 2009 that was recently passed and signed by the President, provides for the one-time payment of \$250 to individuals who get Supplemental Security Income (SSI) or Social Security benefits. Everyone who is entitled to a payment is expected to receive this recovery payment by late May 2009. **No action is required on your part**

For more information and updates, go to <http://www.socialsecurity.gov/payment/> .

***If seniors or persons with disabilities have any further questions, please call the Centers for Medicare and Medicaid Services at this number: 1-800-MEDICARE or visit www.medicare.gov (There is also card comparison information available on this website, or counselors can help provide it over the phone.)*

You may also call the Ohio Senior Health Insurance Information Program (OSHIIP) for further assistance at 1-800-686-1578, Monday through Friday, 7:30 AM to 5 PM